

1. The meeting was called to order at 6:02 pm.
2. The Pledge of Allegiance was led by Mayor Moser.
3. Roll Call: Neil Duncan, Mayor Moser, Kevin Sair, and Harold Merritt were present. Jack Davis was excused. Dale Harris was present. Rod Mills of Ensign Engineering was present. Legal Council was excused. Nathan Bronemann was present taking minutes.
4. Declarations of conflict of interests
None stated.
5. Report on Cedar Point well maintenance progress – Ensign Engineering

Rod Mills reported that Grimshaw Drilling had been notified that they had been awarded the bid and they anticipate starting work shortly after the first of next year.

6. Discussion and possible action on public utility easements

Mayor Moser read the proposed agreement for a public utility easement with John and Joan Peay in which the Peays would give the SSD a public utility easement for a water line, as well as turning over the water line and hydrants that currently exist on their property in exchange for one pre-paid impact fee and one connection fee, together valued at \$13,500 for future development.

John Peay read a letter that he had written that contained a history of his water experiences in Apple Valley. He said his line was a 12-inch diameter line. He said the proposed route would save over 900 feet of digging through rock. He expressed concern over the width of the easement. He said if he signed an agreement he would want three impact fees. He said he had spent at least that much money on the existing water line.

Mayor Moser said that his options were to sign the proposed agreement today or the SSD would drop a ¾ inch meter at the edge of the property line to feed his line. He said they had been discussing this easement for over 120 days and a decision had to be made now.

Rod Mills said the SSD was prepared to do for him what they were doing for every other resident and provide a ¾ inch connection. He said the SSD had nothing to do with what had taken place with Ted Gubler in years past. He said the in the future, if he was to further develop, it would not cost him anything if the SSD was allowed to run a line through his property. He said it would be very wise to take the currently proposed deal rather than have to personally pay for the additional water line at a later date.

Mr. Peay said he would like to further develop his property with up to six additional homes.

Rod Mills tried to clarify that the current agreement would be a huge advantage to him with future development plans.

Mr. Peay asked if he could have a day of two to think about it.

Harold Merritt said that the construction crew said it would cost an additional \$30,000 to bring the equipment back to do the work at a later date, so a decision needed to be made as soon as possible.

Rod Mills added that he would be comfortable working with a 20-foot easement instead of a 30-foot easement.

Mayor Moser said if he agreed, nothing would change. Mr. Peay would still have adequate fire protection and pressure, but the SSD would then be in charge of maintaining the water line.

Harold Merritt said that he had to pay for the water line to get to his house and he didn't expect the SSD to reimburse him for his water line.

Motion made by Mayor Moser to allow Mr. Peay until Tuesday at 9:00 am to make a decision with regard to the proposed agreement. Neil Duncan seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, Kevin Sair-yes, Harold Merritt-yes. The motion passed 4/0.

7. Discussion and possible action on water connections on AV-1365-G

Mayor Moser said four connections had been discovered on this parcel that were undisclosed by the Cedar Point Water Company at the time of purchase. He said the current owner was unaware of the existing connections as he had only owned the property for about a year. He said the current owner would like to abandon three of the four connections and begin paying a standby fee on the remaining connection.

Rod Mills said that an impact fee should be paid.

Mayor Moser said that impact fee should come from Cedar Point's water bank.

Motion made by Mayor Moser to abandon three of the connections, and leave one and begin charging a standby fee, in addition to pulling an equivalent impact fee amount from the Cedar Point banked water shares. Neil Duncan seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, Kevin Sair-yes, Harold Merritt-yes. The motion passed 4/0.

8. Discussion and action on water right and well purchase agreement with Nations Oil and Gas, LLC

Mayor Moser said this entity was going to purchase the gas station and all of the Little Creek Development property. He said they were willing to place their 1800 acre-feet of water into the water bank, and turn over their wells to the SSD. He said they would be able to pre-purchase 25 impact fees per year at \$6,000 per impact fee every year beginning in 2015 until the year that they do not do so. In return, the SSD would pay them \$100,000 for the wells. He said the \$100,000 payment would come after the initial \$150,000 impact fee payment. He said there were some minor details the attorney needed to work out.

Motion made by Mayor Moser to enter into the proposed agreement pending legal and engineering review. Neil Duncan seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, Kevin Sair-yes, Harold Merritt-yes. The motion passed 4/0.

9. Construction and Acquisitions – Harold Merritt

Harold Merritt said the construction was moving along well.

10. Funding – Kevin Sair

Nothing to report.

11. Operations – Neil Duncan

Neil Duncan said that the operations were going well.

12. Resource Management – Mayor Moser

Mayor Moser commended the construction crew for the good work they were doing despite the weather.

13. Development – Jack Davis

Nothing to report.

14. Review of Policies and Procedures

Nothing to discuss.

15. Sewer

Rod Mills mentioned that he had begun discussion with the conservancy district and the DEQ with regard to future sewer management.

16. Consent Calendar - Income and Expenses

Motion made by Mayor Moser to accept the consent calendar as presented. Kevin Sair seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, Kevin Sair-yes, Harold Merritt-yes. The motion passed 4/0.

17. Consider approval of minutes:

a. December 3, 2014 Regular Meeting Minutes

Motion made by Neil Duncan to approve the December 3, 2014 regular meeting minutes. Mayor Moser seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, Kevin Sair-abstain, Harold Merritt-yes. The motion passed 3/0 with one abstention.

18. Request for a closed session

None requested.

19. Adjournment Mayor Moser to adjourn the meeting. Neil Duncan seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, Kevin Sair-yes, Harold Merritt-yes. The motion passed 4/0.

Meeting adjourned at approximately 7:14 PM.

Date approved: _____

ATTEST BY: _____
Nathan Bronemann

Chairman Harold Merritt